(b) if so, the details thereof including salient features of the policy;

(c) the number of companies who have applied to the DOT for an ISP licence;

(d) whether Government will allow foreign equity in ISP companies; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) Yes, Sir.

(b) Main points of Internet Policy are indicated in the statement (*see* below).

(c) 81 Companies have applied for ISP licence.

(d) Yes, Sir.

(e) Foreign equity, if any, shall be as per existing Government policy. At present maximum foreign equity permitted is 49%

Statement

Synopsis of ISP Policy

(a) Any Indian company with a maximum foreign equity of 49% is eligible.

(b) Category 'A' Service Area — whole of India, Catgegory 'B' Service Area — Any of the 20 territorial Telecom Circles, Metros— Delhi, Mumbai, Calcutta and Chennai and four major cities — Ahmedabad, Bangalore, Hyderabad and Pune. Category 'C' Service Area — Any secondary switching area of DOT.

(c) An applicant company may be granted any number of licences and there will be no limit of number of licences granted in a particular area.

(d) Application form costs Rs. 1000/-. Processing fee per application is Rs. 5000/-

(e) Period of licence — 15 years.

(f) Licence fee — waived for first 5 years and Re. 1/- per annum for subsequent period.

(g) Bank Guarantee — Rs. 2 Crores for Category 'A' Service Area, Rs. 20 lakhs for Category 'B' Service Area and Rs. 3 lakhs for Category 'C' Service Area.

(h) International connectivity — Throurgh geteways of DOT, VSNL or authorised public/Government organisations. Private ISPs are allowed to provide gateways after obtaining security clearance.

(i) Establishment of transmission links — Private ISPs can obtain transmission links on lease from DOT, licensed Basic Service Operator, Railways, State Electricity Boards, National Power Grid Corporation etc. They may also establish their own transmission links, provided they are not available from authorised sources and subject to permission of authority.

(j) Telephony on the Internet is not permitted.

TRAI'S Proposal regarding Telephone Tariffs

1278. SHRI RAGHAVJI:
PROF. VIJAY KUMAR MALHOTRA:

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether Telecom. Regulatory Authority of India (TRAI) have proposed hike in Telecom. Tariffs;

(b) if so, the details thereof;

(c) whether Government's attention has been drawn to the comments of public on the proposed hike which appeared in the press, recently; and

(d) if so, what action Government have taken in this matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) The TRAI, formed under the TRAI Act 1977, has brought out a Consultation paper on Telecom. pricing, suggesting a rebalancing of telecom tariffs. The same is being discussed by TRAI with service providers, various consumers organisations and the general public to ascertain their views.

(b) The proposals are summarised at Annexure *(See* Appendix 185, Annexure No. 35)

(c) and (d) The representations received from various individual consumers and consumer organisations have been/ are being forwarded to TRAI for necessary action. The Department of Telecom, as a service provider, has also studied the proposals of the TRAI as well as the comments of the public on the proposed re-balancing of tariffs and has submitted of TRAI its response, generally favouring less increase in rental and less reduction in long distance rates.

Development of Telecommunications in Assam

1279. SHRIMATI BASANTI SARMA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) the funds allocated/utilised for development, expansion and upgradation of telecommunication system in rural/urban areas of Assam during the last three years;

(b) whether the pace of development and expansion of telecommunication in rural areas of the State has been very slow during this period; and

(c) if so, the steps proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) The funds allocated/utilised for development expansion and upgradation of telecommunications system in rural/urban areas of Assam during the last three years are given below:

Funds allocated
(Rs. in crores)

	Urban	Rural (inc. Tribal)
1995-96	46.68	15.83
1996-97	50.46	39.19
1997-98	80.49	39.43

Funds Utilised
(Rs. in crores)

	Urban	Rural (inc. Tribal)
1995-96	56.84	5.20
1996-97	76.02	14.69
1997-98	95.11	27.33

(b) No, Sir.

In spite of the difficult working conditions, the pace of development and expansion of telecom. facilities has been satisfactory. All exchanges, including rural exchanges, in Assam are electronic and connected to national subscriber Trunk Dialling network. All district and sub divisional HQs in Assam also have international and national Subscriber Trunk Dialling connectivity.

(c) In addition, development Plans for Assam & NE have been accelerated in the 9th Plan period to make:

— Telephones on demand available by March, 2000, well ahead of All India target.

— STD facility on reliable media to all exchanges by the year 2000, in advance of rest of India.